

## Message Text

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PAGE 01 STATE 195174  
ORIGIN ARA-14

INFO OCT-01 ISO-00 EB-08 TRSE-00 ABF-01 FS-01 SPTA-02  
/027 R

DRAFTED BY ARA/PAN:RCAMAUR:JG  
APPROVED BY ARA/PAN:RRWYROUGH  
EB/IFD:WMILAM (SUBS)

-----065931 030322Z /70

P 022232Z AUG 78  
FM SECSTATE WASHDC  
TO AMEMBASSY PANAMA PRIORITY  
INFO PAN CANAL PRIORITY

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E.O. 11652: N/A

TAGS: PN, EFIN

SUBJECT: TREASURY CUSTODY ACCOUNT

1. THE TREASURY DEPARTMENT MAINTAINS A CUSTODY ACCOUNT AT THE CHASE MANHATTAN BANK IN BALBOA OSTENSIBLY TO SERVICE PANAMA CANAL COMPANY NEEDS. IN FACT, THE ACCOUNT SERVES AS THE PRIMARY SOURCE OF U.S. PAPER CURRENCY IN THE ROP.

2. HOWEVER, THE ACCOUNT IS EXPENSIVE TO MAINTAIN AND IS INTEREST FREE. TREASURY, THEREFORE, IS DESIROUS OF CLOSING IT AND HAS REQUESTED STATE CLEARANCE TO DO SO.

3. TREASURY REPORTEDLY WANTED TO CLOSE THE ACCOUNT IN APRIL 1976 BUT WAS DISSUADED BECAUSE OF THE POSSIBLY ADVERSE EFFECT ON OUR RELATIONS AT A DIFFICULT MOMENT DURING THE TREATY NEGOTIATIONS.

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4. TODAY WE HAVE A MUCH IMPROVED SITUATION AND DEPARTMENT IS UNDER THE IMPRESSION THAT OTHER SOURCES OF CURRENCY SUPPLY ARE AVAILABLE TO THE ROP. HOWEVER, WE HAVE AN

ADDITIONAL CONCERN AS TO THE EFFECT CLOSING OF THE ACCOUNT COULD HAVE ON CONTINUED IMPLEMENTATION OF THE 1904 U.S.-PANAMA MONETARY AGREEMENT.

5. REQUEST EMBASSY RECOMMENDATION ON WHETHER THE TREASURY  
ACCOUNT AT CHASE MANHATTAN SHOULD BE CLOSED. VANCE

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK ACCOUNTS, CANALS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 aug 1978  
**Decapton Date:** 01 jan 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE195174  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RCAMAUR:JG  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780317-0470  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t197808105/aaaadkqi.tel  
**Line Count:** 65  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 67f38a58-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1556758  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TREASURY CUSTODY ACCOUNT  
**TAGS:** EFIN, PBOR, PN, US, CHASE MANHATTAN BANK  
**To:** PANAMA  
**Type:** TE  
**vdkgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/67f38a58-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
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**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014